

MANAGEMENT MEMO

NUMBER:

MM 07-10

SUBJECT:

DATE ISSUED:

December 10, 2007

INCREASES TO THE DOLLAR THRESHOLDS FOR CONDUCTING INFORMAL COMPETITIVE SOLICITATIONS FOR NON-IT GOODS AND IT GOODS AND SERVICES AND FOR SPECIFIC LEVERAGED PROCUREMENT AGREEMENTS

EXPIRES:

DECEMBER 10, 2008

REFERENCES:

Public Contract Code 10301, 12102, 10290.1, 12101.5 and Government Code 14600

ISSUING AGENCY:

DEPARTMENT OF
GENERAL SERVICES

PURPOSE

In accordance with the Public Contract Code (PCC), the Director of the Department of General Services (DGS) has increased the dollar thresholds for conducting informal competitive solicitations for non-information technology (non-IT) goods from \$50,000 to \$100,000 and for information technology (IT) goods and services from \$500,000 to \$1,000,000. In addition, there are specific Leveraged Procurement Agreement (LPA) sub-category purchasing authority dollar threshold increases.

BACKGROUND

Pursuant to PCC sections 10301 and 12102, the dollar thresholds for conducting informal competitive solicitations are established by the Director of the DGS. PCC sections 10290.1 and 12101.5 require the DGS to administer LPA purchasing authority dollar thresholds.

**INFORMAL
COMPETITIVE
PURCHASING
AUTHORITY
THRESHOLDS**

These increases are automatic for State departments with approved purchasing authority at the informal dollar threshold levels. For additional information about purchasing authority, see the State Contracting Manual (SCM) Volume 2, Chapter 1 at:
<http://www.pd.dgs.ca.gov/deleg/PAMchapter01.htm#t1>.

**LPA
PURCHASING
AUTHORITY
THRESHOLDS**

These dollar threshold increases are automatic only for State departments with currently approved LPA purchasing authority in the specified sub-categories contained in this memo.

**INCREASED
LIMITS**

The two tables on the next page list the increased dollar thresholds discussed in this management memo. All other dollar thresholds not cited in the tables below remain the same. More information about categories and dollar thresholds can be found in the SCM Volume 2, Chapter 1, Topic 3 at:
<http://www.pd.dgs.ca.gov/deleg/PAMchapter01.htm#t3>.

STATE ADMINISTRATIVE MANUAL

Informal Competitive Dollar Thresholds		
	Prior Threshold	New Threshold
Non-IT Goods	\$50,000	\$100,000
IT Goods and Services	\$500,000	\$1,000,000

Leveraged Procurement Agreement Dollar Thresholds			
Sub-Categories	Types	Prior Threshold	New Threshold
Software License Program (SLP)	IT Goods and Services	\$500,000	\$2,000,000
State Price Schedule (SPS)	Non-IT Goods	\$25,000	\$100,000
	IT Goods and Services	\$25,000	\$100,000
Master Agreements			
Cooperative Agreements (WSCA, NASPO, etc.)	IT Goods and Services (Only)	\$500,000	Unlimited
Master Service Agreements (MSA)	Non-IT Service	\$250,000	\$500,000
	IT Goods and Services	\$500,000	\$1,500,000

CONTACT

For questions regarding purchasing authority and dollar threshold information discussed in this management memo, please contact the DGS/PD's Purchasing Authority Management Section at: pams@dgs.ca.gov.

For policy questions regarding issues discussed in this management memo, please contact the DGS/PD's Policies and Procedures Office at: ppo@dgs.ca.gov.

SIGNATURE

Original signed by Will Bush, Director

Will Bush, Director
Department of General Services